

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT



| | | | | | | | | | |
|---|--|--|--|--|--|---|--|--|--|
| APPLICATION FOR PERMIT TO DRILL | | | | | | 1. WELL NAME and NUMBER Halfway Hollow 32-38-520 | | | |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | | | | | 3. FIELD OR WILDCAT UNDESIGNATED | | | |
| 4. TYPE OF WELL Oil Well Coalbed Methane Well: NO | | | | | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME | | | |
| 6. NAME OF OPERATOR AXIA ENERGY LLC | | | | | | 7. OPERATOR PHONE 720 746-5200 | | | |
| 8. ADDRESS OF OPERATOR 1430 Larimer Ste 400, Denver, CO, 80202 | | | | | | 9. OPERATOR E-MAIL rsatre@axiaenergy.com | | | |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-52469 | | | 11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | | | 12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | | | |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') | | | | | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') | | | |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') | | | | | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') | | | |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | | | 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/> | | | 19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/> | | | |

| 20. LOCATION OF WELL | FOOTAGES | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN |
|---------------------------------|-------------------|---------|---------|----------|--------|----------|
| LOCATION AT SURFACE | 1280 FSL 1307 FEL | SESE | 32 | 5.0 S | 20.0 E | S |
| Top of Uppermost Producing Zone | 500 FSL 1980 FEL | SWSE | 32 | 5.0 S | 20.0 E | S |
| At Total Depth | 500 FSL 1980 FEL | SWSE | 32 | 5.0 S | 20.0 E | S |

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|---|--|--|--|---|--|
| 21. COUNTY UINTAH | | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 1280 | | 23. NUMBER OF ACRES IN DRILLING UNIT 40 | |
| | | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 15 | | 26. PROPOSED DEPTH MD: 9314 TVD: 9222 | |
| 27. ELEVATION - GROUND LEVEL 5173 | | 28. BOND NUMBER LPM9046682 | | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-1645 | |

| Hole, Casing, and Cement Information | | | | | | | | | | |
|--------------------------------------|-----------|-------------|----------|--------|----------------|-------------|----------------------------------|-------|-------|--------|
| String | Hole Size | Casing Size | Length | Weight | Grade & Thread | Max Mud Wt. | Cement | Sacks | Yield | Weight |
| COND | 15 | 13.375 | 0 - 100 | 0.0 | Unknown | 0.0 | Unknown | 0 | 0.0 | 0.0 |
| SURF | 11 | 8.625 | 0 - 1000 | 24.0 | J-55 LT&C | 8.7 | Premium Lite High Strength | 70 | 2.97 | 11.5 |
| | | | | | | | Class G | 165 | 1.16 | 15.8 |
| PROD | 7.875 | 5.5 | 0 - 9314 | 17.0 | J-55 LT&C | 9.2 | Halliburton Light , Type Unknown | 445 | 2.73 | 10.5 |
| | | | | | | | Halliburton Light , Type Unknown | 280 | 2.04 | 12.0 |





ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

| | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |
| <input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP |

| | | |
|--|--|--------------------------------|
| NAME Don Hamilton | TITLE Permitting Agent (Star Point Enterprises, Inc.) | PHONE 435 719-2018 |
| SIGNATURE | DATE 11/21/2014 | EMAIL starpoint@etv.net |
| API NUMBER ASSIGNED 43047550100000 | <div style="font-family: cursive; font-size: 2em; margin-bottom: 10px;"> </div> Permit Manager | |

T5S, R20E, S.L.B.&M.

-  = 90° SYMBOL
 = PROPOSED WELLHEAD.
 = TARGET BOTTOM HOLE.
 = SECTION CORNERS LOCATED.

Survey map showing Lot 3 and Lot 4. The map includes bearings and distances for the lot boundaries and the location of the 'Target Bottom Hole' and 'Halfway Hollow #32-38-520'.

Lot 3 Dimensions and Features:

- North boundary: $S40^{\circ}36'25''W$ 1033.00'
- East boundary: 1307'
- South boundary: 1280'
- West boundary: 500'
- Target Bottom Hole: Located within Lot 3, near the south boundary.
- Halfway Hollow #32-38-520: Located near the north boundary of Lot 3, with an elevation of 5172.9'.

Lot 4 Dimensions and Features:

- North boundary: 1980'
- East boundary: 1307'
- South boundary: 1280'
- West boundary: 500'

Boundary Bearings and Distances:

- North boundary: $N00^{\circ}04'W - 5452.92'$ (G.L.O.)
- East boundary: $N00^{\circ}03'W - 2640.00'$ (G.L.O.)
- South boundary: $S89^{\circ}37'08''W - 2639.85'$ (Meas.)
- West boundary: $S89^{\circ}37'13''W - 2638.22'$ (Meas.)

Other Features:

- 1937 Brass Cap, 1.0' High, Pile of Stones (at the north corner of Lot 3)
- 1937 Brass Cap, 1.1' High, Pile of Stones (at the south corner of Lot 3)
- 1937 Brass Cap, 0.5' High, Pile of Stones (at the south corner of Lot 4)



| NAD 83 (TARGET BOTTOM HOLE) | NAD 83 (SURFACE LOCATION) |
|--|--|
| LATITUDE = 40°19'58.53" (40.332925) | LATITUDE = 40°20'06.28" (40.335078) |
| LONGITUDE = 109°41'47.16" (109.696433) | LONGITUDE = 109°41'38.48" (109.694022) |
| NAD 27 (TARGET BOTTOM HOLE) | NAD 27 (SURFACE LOCATION) |
| LATITUDE = 40°19'58.67" (40.332964) | LATITUDE = 40°20'06.42" (40.335117) |
| LONGITUDE = 109°41'44.65" (109.695736) | LONGITUDE = 109°41'35.97" (109.693325) |

BASIS OF BEARINGS IS A G.P.S. OBSERVATION

BENCH MARK (38EAM) LOCATED IN THE SW 1/4 OF SECTION 9, T7S, R20E, S.L.B.&M., TAKEN FROM THE PELICAN LAKE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4942 FEET.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

CERTIFICATE

THE ABOVE PLAT WAS PREPARED FROM FIELD
MADE BY ME OR UNDER MY SUPERVISION
TRUE AND CORRECT IN THE BEST OF MY

RECORDED LAND SURVEYOR
No. 6651032

Brandon J. Bowthorpe

BRANDON J.
BOWTHORPE
REGISTERED LAND SURVEYOR
REGISTRATION NO. 6631032
STATE OF UTAH

10-08-14

**HALFWAY HOLLOW #32-38-520
LOT 4, SECTION 32, T5S, R20E, S.L.B.&M.
UINTAH COUNTY, UTAH**

| | |
|-------------------------|------------------------|
| SURVEYED BY: B.H., N.F. | SURVEY DATE: 09-10-14 |
| DRAWN BY: T.T. | DATE DRAWN: 09-19-14 |
| SCALE: 1" = 1000' | REVISED: 10-08-14 C.D. |

WELL LOCATION PLAT



UELS, LLC
Corporate Office * 85 South 200 East
Vernal, UT 84078 * (435) 789-1017